



Mission

The Missouri Public Service Commission (PSC) regulates investor-owned public utilities operating in Missouri. The PSC has the statutory responsibility for ensuring that customers receive adequate amounts of safely delivered and reasonably priced utility services at rates that will provide the companies' shareholders with the opportunity to earn a reasonable return on their investment. The PSC must balance a variety of often competing private interests to ensure the overall public interest.

Jurisdiction and Goals

The Missouri Public Service Commission was created in 1913 by the Public Service Commission Law, now Chapter 386 of the Missouri Revised Statutes. Today, the PSC regulates over 1,000 investor-owned electric, natural gas, telephone, and water and sewer utilities. In addition, the PSC regulates the state's 48 rural electric cooperatives and 42 municipally-owned natural gas utilities for operational safety. The PSC also regulates the manufacturers and dealers of manufactured and modular homes.

The PSC also oversees service territory issues involving investor-owned electric utilities, rural electric cooperatives and municipally-owned electric utilities as well as investor-owned water and sewer utilities and public water supply districts. Under federal law, the PSC also acts as a mediator and arbitrator of local telephone service disputes regarding interconnection agreements.

Virtually every Missouri citizen receives some form of utility service from an investor-owned public utility company. Utility services and infrastructure are essential to the economy of Missouri. They provide heating and cooling during extreme temperatures. They offer access to emergency services and vital information systems. They provide safe drinking water and assure the environmentally sound disposal of wastewater. Because utilities fulfill these essential needs, the PSC must assure the ratepaying public that quality



PSC Commissioners meet twice weekly in agenda sessions--open to the public--to discuss, consider evidence and vote on pending utility cases.

services will be available on a nondiscriminatory basis at just and reasonable rates.

Commissioners

The PSC consists of five commissioners who are appointed by the Governor with the advice and consent of the Missouri Senate. The Governor designates one member as the Chair who serves in that capacity at the pleasure of the Governor.

Commissioners are appointed to six-year terms. These terms are staggered so that no more than two terms expire in any given year.

The PSC is both quasi-judicial and quasi-legislative. The PSC is responsible for deciding cases brought before it and for the promulgation of administrative rules and their enforcement. Many of the PSC's duties are performed by conducting hearings in contested cases, which by statute must be transcribed

by a court reporter. Hearings are conducted in a trial-like setting using evidentiary standards under the Missouri Administrative Procedures Act. The PSC must render decisions in a timely manner to afford all parties procedural and substantive due process, and to comply with statutory time limits.

The PSC Staff

Commissioners are assisted by a staff of professionals in the fields of accounting, consumer affairs, economics, engineering, finance, law and management. Duties range from helping individual consumers with complaints to investigating multi-million dollar utility rate requests.

The Staff participates as a party in all cases before the PSC. It conducts audits of the books and records of utilities and makes recommendations to the PSC as to what type of rate increase, if any, should be granted. PSC Staff recommendations, like those filed by other parties to a proceeding, are evaluated by the PSC in reaching a decision in a complaint case or rate case. The PSC has established standards for safety and quality of service to which companies must adhere. Routine and special investigations of utilities are conducted by the PSC Staff to ensure compliance.

PSC Electronic Filing and Information System Project (EFIS)

The PSC is in the process of finalizing development and implementation of a state-of-the-art automated solution, otherwise known as the Electronic Filing and Information System (EFIS).

With proper security levels, documents filed with the PSC will be electronically accessible to Commissioners, the PSC Staff, intervenors, utilities and ratepayers providing the opportunity for educated and informed decisions on timely issues.

The PSC is currently testing EFIS to be followed by pilot system testing in a produc-

tion environment, internal and external training and full implementation to occur in the first quarter of 2002.

Baseline Awareness Survey

The Missouri Public Service Commission continues to evaluate and implement information that it received through a baseline awareness survey conducted on the Commission's behalf by the Center for Advanced Social Research at the University of Missouri-Columbia. Over 1,140 telephone interviews were conducted from November 1999 to January 2000. The results of those surveys were released in a report issued in May of 2000.

The survey results indicate that consumers by and large believe Missouri utility services are of an acceptable quality and price. A majority of Missourians profess to know about the Public Service Commission, but there appears to be uncertainty about what the Public Service Commission can do for them.

Clearly, the survey has given the Commission information regarding the need for greater name recognition as well as service recognition. Recommendations contained in the report describe, in detail,



Public Information Administrator Kevin Kelly and Designated Principal Assistant Joyce Neuner receive training on the Electronic Filing and Information System from Project Manager Gay Smith.

how the Commission can increase name and service recognition in the future.

The Commission’s Public Education Survey Team continues to work with the University of Missouri-Columbia and a follow-up survey is planned for late fall of 2001.

Local Public Hearings

During fiscal year 2001, the PSC held 14 local public hearings throughout the State to receive customer comment on a number of key issues. Local public hearings were held in Cape Girardeau, Wentzville, Joplin, Rolla, St. Joseph and Chesterfield on issues ranging from rate cases to territorial agreement issues. Public hearings are designed to give affected customers an opportunity to express their views on the case before the PSC. These hearings also give customers an opportunity to bring any service related problems to the PSC’s attention.

Public Information and Education

The PSC continues its mission of providing information and education on utility issues to Missouri citizens. During fiscal year 2001, the staff of the PSC’s Public Information and Education office produced several informational brochures and flyers to answer questions and concerns about utility issues.

Before, during and after the dramatic increases in natural gas costs for consumers, the PSC provided a pamphlet on why the costs were increasing, what the effect may be and offered resources for customers experiencing financial hardships.

The PSC also produced a flyer emphasizing natural gas safety and the Missouri One-Call system. Other publications highlighted changes and billing information for Missouri’s telephone customers; explained the new 7-1-1 Missouri Relay service for speech or hearing impaired individuals who use text telephones; provided resources and informa-



Jacqueline Hutchinson, Energy Crisis Intervention Program Director, testifies before the Commission on the problems her agency experienced from increased natural gas costs.

tion on the purchase of manufactured/modular housing; and offered money-saving tips to help consumers reduce their utility bills.

The yearly culmination of the efforts of the Public Information and Education office is spending 11 days at the Missouri State Fair. The PSC fair booth allows consumers from across the state a chance to speak one-on-one with Staff about any utility problems and “ask the PSC experts” about their utility questions.



Public Information Coordinator Tom Green answered questions at the PSC’s 2001 Missouri State Fair booth.